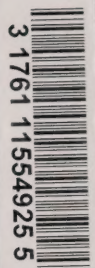


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(Family Allowances & Old Age Security Division)
Annual Report - Fiscal Year Ended March 31, 1953

1952/53

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At the close of the fiscal year 1951-52, developments in the two fields, Family Allowances and Old Age Security, were reported separately, as though by two different divisions of the department. In fact, however, the administration of Old Age Security, from its inception, was handled by the existing Family Allowances organization with a comparatively small increase in personnel. There were two reasons for separate reports. One was that in the case of Old Age Security, payments of the pension had been made for only three months, although some months of preparation and receipt of applications had gone before. The second reason was that at that time, the two functions of the division were quite separate and distinct. In order that the large bulk of initial applications for Old Age Security pensions might be processed in the shortest possible time, it was found expedient to keep the two areas of endeavour apart. It was anticipated that when Old Age Security operations reached a current basis, and when experience had been gained in the problems which would arise in the implementation of the new legislation, permitting policy and procedure to become more clearly defined, it would be possible to devote time and thought to the integration, from an administrative standpoint, of the two programs.

During the past fiscal year, these anticipations were realized, and a gradual unification has taken place, so that it is now possible to cover activities related to both Family Allowances and Old Age Security in one report.

Coordination of Two Programs

In the light of the experience which has been gained to date in the administration of Old Age Security, it is generally agreed that the only functions which can be properly considered common to both Family Allowances and Old Age Security from the point of view of efficient and economical use of staff, space and equipment, are those performed by sections in Regional Offices known as "Administrative Services", "Central Registry" and "Welfare Services". Regional Offices have progressed in the coordination of these functions to greater or lesser degrees depending on individual circumstances. Throughout all offices, however, considerable headway has been made in this direction. At the present time, plans are being formulated to achieve a uniform pattern of organization for all Regional Offices. When this pattern has finally been determined, and the necessary, and in some cases minor, adjustments have been made in the present organization of these offices, the two programs will have been coordinated satisfactorily.

Administrative Services and Central Registry

The sections called "Administrative Services" are responsible for such functions pertaining to both Family Allowances and Old Age Security as general correspondence, recording and collection of overpayments, field investigations which are not of a Welfare nature, disposition of returned cheques, maintenance of personnel records, mimeographing and photostating and stenographic services. "Central Registry" sections handle such items as reception and dispatch of mail, control and allocation of account numbers, maintenance of card indexes, destruction of dead files, and so forth. The main function of the latter sections is the maintenance of file registries including the control of file movements and the keeping of a system of B.F.'s. With a total of 691,386 active Old Age Security accounts maintained across Canada as at March 31, 1953, in addition to 2,056,354 active Family Allowances accounts, the work-load carried by these sections has increased greatly.

Welfare Services

The role of the Welfare Section in each Regional Office, in connection with the administration of Family Allowances, has

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become increasingly well defined. The emphasis during the year under review has been on continuing and improved liaison with agencies and institutions which work with children. The conviction has become stronger than ever that there is no substitute for personal and frequent contact between Welfare personnel of this division and those of the agencies and institutions concerned. In the course of the year, the staff of the Welfare Sections have been brought into Old Age Security, and the role they are to play in this program is now quite definite. As in the case of Family Allowances, one important responsibility which falls to Welfare personnel is liaison with agencies and institutions. Here it is with those bodies concerned with aged people. A great deal has already been accomplished in establishing contact with these agencies and institutions, and in interpreting Old Age Security matters to them. Probably the most important responsibility taken on by the Welfare Sections is that in the area of trusteeships in Old Age Security. The legislation provides for the appointment of a trustee to handle Old Age Security pensions if the pensioner is incapable of handling his own affairs. It is considered that qualified Social Workers are in the best position to evaluate information and reports received in this connection. Personnel of the Welfare Sections have also been called upon to assist with difficult cases of proof of age and sometimes of residence. This assistance takes the form of personal interviews with applicants, and guidance and help to them in regard to these subjects. In addition, where necessary, arrangements are made for the setting up of tribunals in the applicant's community for the purpose of determining the age of the applicant when satisfactory evidence thereof is not available.

FAMILY ALLOWANCES

Legislation - New Regulations

Order-in-Council P.C. 1953-321 dated March 5, 1953, and published in the Canada Gazette March 25, 1953, revoked the Family Allowances Regulations previously in effect and replaced them by new Regulations. The revised Regulations do not differ radically from the former ones, but do contain some changes worthy of note. Among these are the following: (1) Formerly, in the case of a child who was attending school or receiving equivalent training and in addition was employed or engaged in work for which he received \$35 or more monthly, Family Allowances were discontinued; under the new Regulations no limit is placed on such a child's earnings. (2) Under the previous Regulations there was no option but to pay Family Allowances for Eskimo children to the Department of Resources and Development to be disbursed by that Department. All of these allowances are, by arrangement with that Department, paid to Eskimo parents in "kind". The revised Regulations permit payment direct to Eskimo parents. Such action would, of course, be taken in individual cases only on the recommendation of the appropriate officials of the Department of Resources and Development. The subject will require careful consideration before such action is taken.

General

The numbers of families and children receiving allowances, and consequently the expenditures, for the month of March, 1953, were considerably larger than for the month of March, 1952, as was the case with each preceding year. The following table shows comparative figures:

	<u>No. of Families</u>	<u>No. of Children</u>	<u>Expenditures</u>
March, 1952	1,966,721	4,530,186	\$27,174,658
March, 1953	2,041,341	4,729,172	\$28,456,441

Total net payments for the fiscal year 1952-53 were \$334,197,684.

an increase of \$13,740,011 over the previous fiscal year. Tables I and II appended to this report show additional details regarding payments of allowances.

School Attendance and Employment

As in other years, the information on school attendance in all provinces which we have obtained strengthens the belief that Family Allowances play a vital part in assuring a high percentage of attendance. This belief is further bolstered by observations made by provincial educational authorities. For instance, in speaking of the rise in the average school attendance in his province over recent years, the Supervisor of Attendance of the Department of Education of one province stated in part "The provision of additional school facilities at the elementary and secondary levels cannot of course be ignored, but the assistance of Family Allowances without any doubt was the most outstanding element for improvement." The same official stated further "..... in a large majority of the cases the teaching profession of the Province looks upon the relationship between the school attendance and Family Allowance payments as an inestimable aid in the provision of adequate educational opportunities for children." In another province, a school inspector declared to Family Allowances officials: "You are the most effective attendance officer the province has ever had." A school authority in the latter province, in writing to the Regional Director of Family Allowances, said "The attendance of school children has been much better since the Family Allowance payments have been paid, thanks to your office and their attention to the regulations having a bearing upon School Attendance - Family Allowance requirements."

There are of course various factors which affect enrollment and attendance, and these factors differ from province to province. It is therefore difficult to assess exactly to what extent the fact that inexcusable absences from school result in a loss of Family Allowances has influenced both enrollment and attendance. The significant rise in percentages over the years since the beginning of the Family Allowances program cannot, however, be ignored. While the possible loss of Family Allowances for unsatisfactory school attendance acts as an incentive to parents to ensure that their children attend regularly, their ability to feed and clothe their children better because of the receipt of allowances is also an important aid to those who otherwise might not find it possible to send their children to school on as regular a basis as they would wish to do.

At the close of the fiscal year 1951-52, it was noted that the total number of children whose allowances had been suspended because of non-attendance at school and employment for wages showed an increase over the number for the previous year. It was felt that this was due, at least in part, to increased school enrollment and better reporting both voluntary and other. Bearing this in mind, it is interesting to note that the figure for the year 1952-53 has decreased considerably. Reporting will have, if it has changed at all, improved, and enrollment appears to have increased. It perhaps might be concluded, therefore, that there were fewer instances, at least of non-attendance at school. The number of suspensions because of employment for wages remained almost the same, while those for unsatisfactory school attendance decreased from 14,830 to 11,817, accounting for the decrease in the total figure mentioned.

In view of the revision in the Family Allowances Regulations which permits employment without loss of allowances so long as the child is in satisfactory attendance at school, the overall number of suspensions should further decrease in the fiscal year 1953-54. Since the school-leaving age varies from province to province, being 14 in some and 15 in certain of the others, there will no doubt always be cases of suspension of allowances because

of employment where the question of school-attendance is not involved.

Overpayments

Again in the past year there has been a highly satisfactory decrease in the total amount of overpayments outstanding for the entire period since the beginning of the payment of Family Allowances. During the year, overpayments amounting to \$242,881.00 were discovered and added to the \$371,708.00 outstanding at March 31, 1952, making a total of \$614,589.00. The amount recovered during the year, however, was \$279,737.00. Thus, with the amount recovered in the year 1952-53 being larger than the amount set up, the total amount of overpayments outstanding at March 31, 1953, was \$334,852.00, less than that at the end of the previous fiscal year by \$36,856.00. Table III gives a break-down of these overpayments as of March 31, 1953. Recalling that in February 1948, the total amount of overpayments stood at \$506,734.00, it is encouraging to note that this figure is steadily decreasing, despite the hundreds of millions of dollars paid in Family Allowances since that date.

OLD AGE SECURITY

General

In March 1952, 643,013 pensioners received payments totalling for that month \$25,831,240. Payments of Old Age Security to 686,127 pensioners in March, 1953, amounted to \$27,428,325, while total payments for the fiscal year 1952-53 were \$323,141,655. During the last months of the fiscal year under review, approximately 7,600 new applications were processed in Regional Offices each month. In the same months, an average of about 4,500 deaths of pensioners was reported, leaving a net monthly increase in accounts in the neighbourhood of 3,100. Table IV gives more detailed statistics on payments of Old Age Security pensions.

As has been indicated, the fiscal year 1952-53 saw the processing of Old Age Security applications reach a current basis, and the number of new applications assume more normal proportions. During this period too, policy and procedure were refined, in the light of growing experience.

Proof of Age

The problem of obtaining satisfactory evidence of age remained important. As the large bulk of cases involving persons well over seventy years of age was cleared, new applications received became, with some exceptions, confined to those where applicants were just reaching the age of seventy. In the case of the latter persons, it was of course necessary to obtain evidence substantiating the exact month as well as the year of birth, in order to determine the effective month of payment. While some difficulties were encountered in this connection, it may be stated, on the whole, that the wide variety of types of evidence which can be considered, as well as improved procedures adopted during the year, have permitted the rapid and satisfactory disposition of most applications.

In the few cases where all efforts on the part of the applicant and of the Old Age Security administration fail to produce acceptable verification of the claimed age, Regional Directors have recourse to tribunals to consider the age of the applicant. Provision for such tribunals is contained in the Old Age Security Regulations so that persons who are seventy years of age or more will not be deprived of a pension simply because their age cannot be verified by the usual documentary evidence. In turn, of course, it is not intended that pensions be paid to persons who are not yet seventy years old. Tribunals are composed of three members, one appointed by the applicant, one by the Regional Director concerned, and a chairman, who is nominated by the other two members.

The members of a tribunal review whatever evidence of age may be available, generally interview the applicant and possibly other witnesses, and after consideration, provide the Regional Director with their opinion as to the birth date of the person concerned. This opinion is accepted by the Regional Director for Old Age Security purposes, subject to receipt of rebutting evidence, and the application is dealt with accordingly. During the year 1952-53, 311 tribunals were convened across Canada. In 245 cases (79%) the decision of the tribunal was favourable to the applicant in that the tribunal found the applicant to be of the age claimed or, if the age was found to be younger, this did not affect payment of Old Age Security pension. In 66 cases (21%) the decision was unfavourable, in that the applicant was found younger than claimed and this decision affected payment of Old Age Security, or the tribunal was unable to reach any decision on the age of the applicant. All reports indicate that the procedure has been very well received by prospective pensioners and by the public.

Administration of Pensions

Strict application has been given to the policy of not diverting an Old Age Security pension from the pensioner to a trustee unless there is satisfactory evidence that the pensioner is incapable of managing his own affairs. In addition, interpretation of the term "incapable of managing his own affairs" has been limited and does not include illness or indigency alone. During the past year, in addition to consideration given to new requests for trusteeship, a review was made of each case which had been transferred from Old Age Pension rolls and where the Old Age Pension had been paid to an administrator. The purpose of the review was to determine whether evidence of incapability satisfactory under Old Age Security policy had been or could be provided. As a result of this review, it was found possible to reduce from 22,820 in March, 1952, to 15,377 in March, 1953, the number of Old Age Security pensions paid to other persons on behalf of the pensioners. (See Table IV).

Absences of Pensioners from Canada

In order to acquaint pensioners with the provisions of the Old Age Security legislation regarding absences from Canada, and to enlist their cooperation in notifying Regional Directors prior to leaving Canada, and on return, a special circular on the subject was enclosed with Old Age Security cheques for the month of November, 1952. This circular explained that payment of pension ceases when the pensioner leaves Canada, but may be resumed on his return to Canada after a temporary absence. Pensioners were also advised in the circular that if a temporary absence does not exceed six months, pension may be paid, on return to Canada, for up to three months of absence in any calendar year. Examples were cited to ensure clarity. It is believed that the enclosure was quite helpful to those pensioners contemplating absences from the country, particularly to those who make yearly journeys.

STAFF - FAMILY ALLOWANCES AND OLD AGE SECURITY

The following table will show the comparatively small increase in staff required to administer the provisions of the two Acts, Family Allowances and Old Age Security, over the number required when the division was responsible for Family Allowances alone. March, 1951, was the end of the last full fiscal year in which the division administered only the one program. March, 1953, was the end of the first full fiscal year in which both Family Allowances and Old Age Security were in operation:

	<u>Authorized Establishment</u>	<u>Persons Actually Employed</u>	
		<u>Permanent & temporary employees</u>	<u>Casual employees</u>
March, 1953	841	820	45
March, 1951	740	694	6
Increase	101	126	39

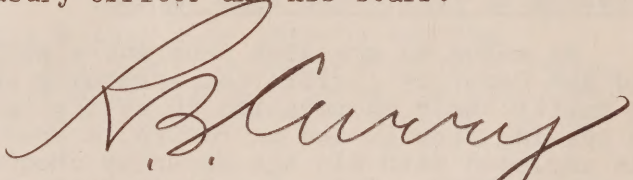
Costs of Administration -

Family Allowances and Old Age Security

A comparison in administrative costs for the fiscal years 1950-51 and 1952-53, indicating the slight rise in the costs of administration because of the addition of Old Age Security to the division's responsibilities, follows:

	<u>Dept. of National Health & Welfare</u>	<u>Dept. of Finance (Treasury)</u>	<u>Dept. of Public Works</u>	<u>Total</u>
1950-51	\$1,811,854	\$2,322,883	\$181,287	\$4,316,024
1952-53	\$2,297,535	\$3,121,747	\$245,750	\$5,665,032

It is felt that this division has concluded a year in which considerable progress has been made in the administration of both Family Allowances and Old Age Security, and in particular in the growing integration of functions related to both fields. This progress is due to the efforts put forth by all those connected with this administration, particularly in the eleven Regional Offices. It is desired to express thanks to these persons and, in addition, to the Chief Treasury Officer and his staff.


R. B. Curry,
Director of Family Allowances
and Old Age Security.

DEPARTMENT OF NATIONAL HEALTH AND WELFARE
COMPARATIVE STATEMENT OF FAMILY ALLOWANCES PAYMENTS
BETWEEN MONTH OF MARCH 1952 AND MONTH OF MARCH 1953

TABLE I

	Month of March 1952						Month of March 1953					
Province	Families Receiving			Children Receiving			Families Receiving			Children Receiving		
	Number	Average Allow. per Family	Number	Average Allow. per Child	Amount Paid		Number	Average Allow. per Family	Number	Average Allow. per Child	Amount Paid	
Newfoundland	52,552	\$17.11	150,995	\$5.96	\$899,359		53,800	\$17.43	157,280	\$5.96	\$937,888	
Prince Edward Island	13,248	15.73	34,698	6.01	208,421		13,207	15.99	35,060	6.02	211,259	
Nova Scotia	93,051	14.43	222,664	6.03	1,342,988		94,414	14.56	227,698	6.04	1,374,860	
New Brunswick	73,167	15.99	195,355	5.99	1,169,886		74,426	16.23	201,240	6.00	1,208,117	
Quebec	542,651	16.08	1,454,369	6.00	8,726,127		564,219	16.12	1,507,272	6.03	9,097,491	
Ontario	651,272	12.20	1,327,304	5.98	7,944,428		681,870	12.35	1,405,125	5.99	8,423,616	
Manitoba	110,466	12.78	235,347	6.00	1,411,512		113,329	12.93	244,376	6.00	1,465,954	
Saskatchewan	119,006	13.64	267,625	6.06	1,623,281		120,781	13.73	272,958	6.07	1,658,346	
Alberta	140,497	12.99	303,646	6.01	1,825,870		147,006	13.12	320,934	6.01	1,928,260	
British Columbia	166,734	11.81	329,130	5.98	1,968,705		173,993	12.02	347,610	6.02	2,091,923	
Yukon & N.W.T.	4,077	13.26	9,053	5.97	54,081		4,296	13.67	9,619	6.10	58,727	
NATIONAL	1,966,721	\$13.82	4,530,186	\$6.00	\$27,174,658		2,041,341	\$13.94	4,729,172	\$6.02	\$28,456,441	

DEPARTMENT OF NATIONAL HEALTH AND WELFARE
NET FAMILY ALLOWANCES PAYMENTS - COMPARISON BY FISCAL YEARS

TABLE II

Province	1945-46 (9mos.)	1946-47	1947-48	1948-49
Newfoundland				
Prince Edward Island	\$ 1,618,784.00	\$ 2,192,044.00	\$ 2,256,477.00	\$ 2,295,286.00
Nova Scotia	9,519,446.00	13,358,417.07	14,207,957.82	14,515,131.00
New Brunswick	8,112,008.50	11,394,426.02	12,086,891.93	12,462,093.00
Quebec	57,962,066.56	82,389,966.72	87,157,243.46	89,304,108.45
Ontario	49,208,124.09	70,325,914.70	77,328,534.50	80,151,249.69
Manitoba	9,896,231.30	14,007,061.21	14,798,436.82	15,016,277.72
Saskatchewan	13,194,768.00	18,119,791.87	18,561,329.55	18,527,408.22
Alberta	12,262,073.00	17,159,488.00	18,181,662.50	18,695,325.00
British Columbia	10,693,139.00	15,722,045.50	18,012,188.75	19,347,836.58
Yukon & N.W.T.	165,506.53	471,376.50	574,470.00	595,063.00
NATIONAL	\$172,632,146.98	\$245,140,531.59	\$263,165,192.33	\$270,909,778.66
Newfoundland				
Prince Edward Island	\$ 9,747,030.00	\$ 10,224,103.00	\$ 10,613,908.00	\$ 11,038,874.49
Nova Scotia	2,411,291.00	2,467,257.00	2,495,987.00	2,522,830.00
New Brunswick	15,291,614.07	15,660,003.27	15,949,540.73	16,297,169.95
Quebec	13,375,434.33	13,708,198.00	13,892,907.00	14,287,535.05
Ontario	95,901,763.15	99,558,247.04	102,883,811.56	107,084,124.36
Manitoba	84,940,808.63	89,034,870.53	93,207,144.30	98,303,868.20
Saskatchewan	15,668,695.50	16,235,519.56	16,703,466.69	17,283,659.61
Alberta	18,953,599.79	19,237,070.80	19,424,561.76	19,723,352.42
British Columbia	19,822,386.97	20,762,273.29	21,573,429.99	22,575,583.60
Yukon & N.W.T.	20,813,661.00	21,952,569.36	23,063,642.85	24,399,858.81
	587,749.50	625,348.67	649,273.15	680,828.30
NATIONAL	\$297,514,033.94	\$309,465,460.52	\$320,457,673.03	\$334,197,684.79

DEPARTMENT OF NATIONAL HEALTH AND WELFARE

TABLE III

OVERPAYMENTS OF FAMILY ALLOWANCES

MARCH, 1953

(The Overpayments may have occurred at any time between July 1, 1945 and March 31, 1953)

Province	Overpayments Recoverable by Deduction		Overpayments Recoverable by Collection		Overpayments Considered Uncollectable		Total Overpayments Outstanding	
	Number of Accounts	Amount	Number of Accounts	Amount	Number of Accounts	Amount	Number of Accounts	Amount
Newfoundland	44	\$ 884.00	38	\$ 614.50	12	\$ 283.36	94	\$ 1,781.86
Prince Edward Island	15	257.00	1	5.00	2	24.00	18	286.00
Nova Scotia	73	1,722.00	125	2,540.75	44	1,472.50	242	5,735.25
New Brunswick	46	1,205.00	141	5,418.00	163	6,880.50	350	13,503.50
Quebec	572	36,988.00	1,283	85,632.16	1,195	99,356.28	3,050	221,976.44
Ontario	156	5,013.00	849	21,824.85	470	20,627.90	1,475	47,465.75
Manitoba	23	679.00	83	1,505.00	66	3,335.00	172	5,519.00
Saskatchewan	28	2,078.00	107	3,168.30	55	3,401.00	190	8,647.30
Alberta	70	1,780.00	127	3,355.00	97	5,509.90	294	10,644.90
British Columbia	139	5,858.40	98	2,957.18	157	6,565.40	394	15,380.98
Yukon & N.W.T.	16	1,018.00	40	1,717.50	19	1,175.86	75	3,911.36
NATIONAL	1,082	\$ 57,482.40	2,892	\$ 128,738.24	1,256	\$ 442,631.00	6,254	\$ 334,952.11

TABLE IV

STATISTICS ON OLD AGE SECURITY

Province	A No. of pensioners in pay March, 1952	B No. of pensioners in pay March, 1953	C Net Payment for March, 1953 only	D Total Net Payment For fiscal year ending March 31, 1953	E No. of accounts paid to an administrator or trustee as of March, 1953	F No. of deaths reported in March, 1953
FLD.	14,177	14,792	\$ 592,600	\$ 6,995,760	106	128
O.E.I.	6,338	6,553	262,960	3,155,700	113	49
I.S.	34,832	36,150	1,451,340	17,259,287	447	299
I.B.	24,540	25,689	1,030,720	12,254,680	401	167
Que.	139,954	147,833	5,899,735	69,570,047	2,956	1,144
Ont.	238,925	253,954	10,174,060	120,083,015	7,940	1,800
MAN.	37,826	40,489	1,621,520	19,019,960	572	470
ASK.	37,153	40,553	1,633,680	19,037,306	1,043	299
LTA.	36,637	40,203	1,622,390	18,745,260	760	273
B.C.	72,225	79,464	3,121,320	36,802,800	1,033	460
N. & NWT	406	447	18,000	217,840	6	4
Total	643,013	686,127	\$27,428,325	\$323,141,655	15,377	5,093

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1953/54

(FAMILY ALLOWANCES AND OLD AGE SECURITY DIVISION)

Department of National Health and Welfare

Annual Report of Expenditures and Administration in connection
with the Family Allowances Act and the Old Age Security Act
for the Fiscal Year ended March 31st, 1954

During the year ended March 31, 1954, the uniform pattern of organization for all Regional Offices which had been under consideration at the close of the last fiscal year was achieved. This plan provides for division of a Regional Office into a limited number of sections, in accordance with the functions to be performed. Three of these sections, namely "Administrative Services", "Central Registry" and "Welfare Services" are responsible for the duties which are evident from their names, in connection with both Family Allowances and Old Age Security. Other sections are designed to perform various functions relative to Family Allowances exclusively, and still others those involved in the administration of Old Age Security. In all offices, with the exception of those where local conditions make minor deviations from the pattern a necessity, the organization was altered in whatever degree was necessary, during the past year, to conform with the established plan. With this came the closer coordination of the Family Allowances and Old Age Security programs which had begun in the fiscal year 1952-53.

The functions of the Division during the year ended March 31, 1954, remained the same as those of the previous year, namely the administration of the Family Allowances Act, the Old Age Security Act and the respective Regulations. Developments which occurred were those brought about by a continuing increase in the work-load carried by all Regional Offices, improvements in procedures and the alteration of office organizations mentioned above.

The extent of the increase in work-load is shown by comparing the numbers of active Family Allowances and Old Age Security accounts maintained by all Regional Offices in the months of March, 1953 and March, 1954. In the case of Family Allowances, the number of active accounts rose from 2,056,354 to 2,131,329, an increase of 74,975. In the case of Old Age Security, the number rose from 691,386 to 722,476, an increase of 31,090. It will be seen that the total increase in Family Allowances and Old Age Security accounts amounted to 106,065. The Regional Office having the greatest proportional increase in work was that in Ontario. In that office alone there was an increase of 30,538 Family Allowances accounts and 11,322 Old Age Security accounts. Such expansion naturally gave rise to numerous problems relative to staff, accommodation and equipment, on all of which considerable strain was imposed.

One interesting project carried out during the year under review and which was not part of the normal operations of the Division was related to the Coronation of Her Majesty Queen Elizabeth II. His Excellency, the Governor General, wished to commemorate the occasion by presenting to each child born in Canada on Coronation Day, June 2, 1953, a silver spoon. His office solicited the assistance of this Division in obtaining the names of children born on that day. Arrangements were made whereby Regional Offices submitted to the National Office lists of children born on June 2, 1953, with the names and addresses of their parents or guardians. These

were obtained from Family Allowances registration forms, and details of birth were verified through the co-operation of provincial Registrars of Vital Statistics. The lists were forwarded to the office of His Excellency, the Governor General, and the spoons mailed from there. A total of 1,310 children received these mementos.

Staff

As at March 31, 1953, there were 820 permanent and temporary employees and 45 casual employees on the staff of the Division. At the end of March, 1954, there were 837 permanent and temporary employees. There were, therefore, 28 fewer persons employed in the work of the Division at the end of the fiscal year 1953-54 than at the end of the preceding fiscal year, despite the fact that there was, as mentioned, an increase of 106,065 in the total number of Family Allowances and Old Age Security active accounts maintained by the Division, with a resulting increase in every phase of the work.

Among the Regional Directors there were two changes during the year under review. The Regional Director for New Brunswick, Mrs. A.S. Fergusson, resigned on her appointment to the Senate. As the result of a promotional competition open to members of the Government service, she was replaced by Mr. A. Nicholson, who had been Regional Director for Prince Edward Island. Mr. Nicholson in turn was replaced as Regional Director for Prince Edward Island, also as the result of a promotional competition, by Mr. A.S. Tait, formerly a member of the staff of the New Brunswick Regional Office. Among other staff members there was a considerable turnover in certain Regional Offices, in those areas where there are particularly good opportunities for non-governmental employment.

Costs of Administration

The costs of administering the Family Allowances and Old Age Security programs rose slightly during the year 1953-54. The following is a comparison between costs for 1952-53 and those for the past year:

	<u>Dept. of National Health & Welfare</u>	<u>Dept. of Finance (Treasury)</u>	<u>Dept. of Public Works</u>	<u>Total</u>
1952-53	\$2,297,535	\$3,121,747	\$245,750	\$5,665,032
1953-54	\$2,400,230	\$3,110,053	\$212,200	\$5,722,483

It is of interest that of Treasury's expenditures of \$3,110,053, the amount spent for postage of cheques was \$1,286,329.

Welfare Services

The past year has seen the Welfare Sections of all Regional Offices become increasingly active in the field of Old Age Security. Welfare personnel have concentrated their efforts in dealing with the appointment of trustees, the conducting of tribunals and the visiting of institutions caring for aged persons. Experience has confirmed that the decision to remove a pension from the hands of a pensioner and place it in the hands of a trustee is one that has a

number of welfare aspects, and that, therefore, the trained social workers employed by the Department are best fitted to advise on such decisions.

In most Regional Offices the Regional Director has been able to make use of the welfare staff in setting up tribunals to give an opinion as to the age of applicants for Old Age Security pension. This was felt to be a logical use of the departmental social workers because of their experience in establishing community contacts.

The senior social workers and other senior personnel in the Regional Offices have now visited all institutions in the country caring for older citizens. These visits have resulted in the clarification of policy with respect to the payment of pensions to persons residing in these institutions.

The Welfare Sections have continued to be active in Family Allowances. No new phase of work was undertaken during the past year. It was a year of consolidating gains achieved, particularly in the visitations to child placing agencies and institutions.

FAMILY ALLOWANCES

General

The following table shows an increase in the numbers of families and children benefitting from Family Allowances in March, 1954, as compared to the number in March, 1953.

	<u>No. of Families</u>	<u>No. of Children</u>	<u>Expenditures</u>
March, 1954	2,116,709	4,942,044	\$29,812,438
March, 1953	<u>2,041,341</u>	<u>4,729,172</u>	<u>\$28,456,441</u>
Increase	75,368	212,872	\$ 1,355,997

Total net payments for the fiscal year 1953-54 were \$350,113,902, an increase of \$15,916,218 over the preceding fiscal year. Tables I and II appended hereto give additional details regarding payments of allowances.

Indians

At the end of March, 1954, there were 20,306 active Indian Family Allowances accounts maintained in Regional Offices. This Division continued to work closely with the officials of the Indian Affairs Branch of the Department of Citizenship and Immigration, including all Indian Superintendents, in connection with matters arising in the payment of Family Allowances to Indians. A new procedure was developed for conducting the yearly check between Regional Office records relating to Family Allowances paid to Indian families and those of the Indian Superintendents. This involved preparation of a card for each Indian account, showing the amount paid for a given month, and the names and birth dates of the children on whose behalf allowances were paid in that month as well as the name and address of the recipient. These cards were despatched to the respective Indian Superintendents, who then checked the details against their records to determine whether there were any discrepancies which might have caused overpayments of allowances. This

procedure was implemented in all Regional Offices holding Indian accounts, and proved to be a considerable improvement over that previously used.

In some areas it was possible for members of the staff of this Division to visit Indian reserves and settlements in company with Indian Superintendents, and these visits were found most useful from all points of view. The following quotations from the report of one staff member who visited a number of Indian settlements during the past year point up the benefit of Family Allowances to Indian families and are indeed gratifying:

"Mr. _____, Hudson's Bay Manager, told me the women spend their Family Allowances very wisely. He showed me several bills as examples. Bread, oranges, milk, children's shoes, washing ingredients and other essentials were the main items. He also mentioned that they are not inclined to spend all the money the day it arrives. Rather, they conserve it to last far into the month. This was the general opinion of the Hudson's Bay Managers on all the Reserves."

"I was repeatedly told how the advent of Family Allowances had improved the standard of living for Indian children."

Eskimos

The new Family Allowances Regulations which came into effect in March, 1953, made provision, for the first time since the inception of Family Allowances, for the payment of allowances to an Eskimo parent in cash rather than in "kind". It was soon afterwards recommended by the Department of Northern Affairs and National Resources that consideration be given to payment by cheque direct to certain Eskimo parents. After discussion between officers of the two departments, it was agreed that this area could be entered gradually, and specific recommendations as to those parents who should receive direct payment in cash were made by the Department of Northern Affairs and National Resources. The first cheques were issued to Eskimo parents in July, 1953. There are now approximately 150 Eskimo families receiving payment of allowances by cheque, out of a total of 1,652 active Family Allowances accounts. It is expected that further recommendations for this type of payment will be received from time to time from the department concerned. From all reports, it appears that the new method of payment is working out very well.

School Attendance and Employment

In the fiscal year 1953-54, a total of 8,993 children lost allowances for one or more months because of non-attendance at school. In the year 1952-53, 11,817 children had lost allowances, thus there was a decrease of 2,824 in the past year as against the immediately preceding year. Since, in general, reporting by school authorities of cases of unsatisfactory attendance improved during the past year, it seems safe to assume that instances of absenteeism for insufficient cause declined. The loss of allowances resulting from non-attendance at school is undoubtedly a factor in the general increase in attendance, as is the fact that many parents are better able to feed and clothe their children because of receiving allowances. In addition, the Family

Allowances administration extends assistance in cases where chronic absenteeism appears to result from a social problem. The problem is brought to the attention of a local social agency, where possible. In many instances this has resulted in solution of the problem and a return of the child or children concerned to school.

With regard to employment of children under sixteen years of age, there were fewer children who lost allowances for this reason in the fiscal year under review than in the preceding year. In 1952-53 there were 23,113 children effected, and in 1953-54, 20,815, a decrease of 2,298. The difference was no doubt at least partially caused by the implementation of the new Family Allowances Regulations, dated March 5, 1953, which removed the ceiling on the earnings of a child who is in satisfactory attendance at school. Formerly, allowances were discontinued for earnings outside of school hours in excess of \$35 monthly.

Overpayments

The total amount of outstanding overpayments again decreased during the year 1953-54. At March 31, 1954, the amount stood at \$324,336.54, as against \$334,852.00 at March 31, 1953. The fact that a steady decrease in the total overpayments has been maintained in the last several years, even though many hundreds of millions of dollars are paid out in Family Allowances each year is a source of considerable gratification. Table III appended hereto gives a break-down by categories of the outstanding overpayments at March 31, 1954.

OLD AGE SECURITY

General

A total of 716,399 pensioners received payment of Old Age Security pensions in the month of March, 1954. Total net payments for that month amounted to \$28,607,458. There was, therefore, an increase of 30,272 in the number of pensioners in pay, and an increase of \$1,179,133 in expenditures over those in the month of March, 1953. Total net payments for the fiscal year 1953-54 were \$338,970,791. Table IV appended hereto gives more detailed statistics on payments of Old Age Security pensions.

Proof of Age

While in a small percentage of cases some difficulty in obtaining proof of age was experienced, generally speaking this was not a great problem during the past year. The persons who reached age seventy and applied for Old Age Security during the past year were as a rule in a better position to procure verification of their age than those original applicants who were considerably more than seventy years of age at the inception of Old Age Security. This is due to improvements in recording of births in the year of their birth as compared to earlier years. It is expected that this condition will improve progressively with succeeding years. In addition, experience has made the members of this Division more adept at assisting applicants, where necessary, in obtaining proof of age, and improved procedures in this connection have facilitated their efforts.

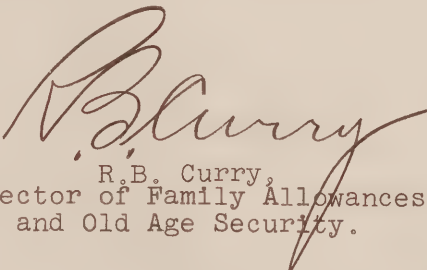
Despite all this, there were cases dealt with during the year where every effort to procure acceptable evidence of age failed, and where Regional Directors decided to have recourse to tribunals to consider the age of the applicant, as provided for in the Old Age Security Regulations. These tribunals, consisting of a member appointed by the applicant, a member appointed by the Director and a chairman chosen by these two members, consider the evidence of age available, and may take into account other facts or evidence. Almost without exception, the applicant is interviewed by the tribunal members. After considering all factors, the members of the tribunal give an opinion as to the age of the applicant, which is accepted by the Director, subject to receipt of rebutting evidence at any time thereafter.

During the year 1953-54, tribunals were held in 767 cases. In 542 cases, the decision was favourable to the applicant, that is, he was found to be of the age claimed or, if found to be younger, payment of Old Age Security was not affected. In 225 cases, the decision was unfavourable, in that the applicant was found younger than claimed and this finding affected payment of Old Age Security, or the tribunal was unable to reach a decision as to the age of the applicant.

Administration of Pensions

The provision in the Old Age Security legislation which permits the Director to authorize payment of a pension to a trustee on behalf of a pensioner who is found to be incapable of managing his own affairs was given a strictly limited application in the past year, as has been the case since the inception of Old Age Security. Careful appraisal was given to the evidence of incapability in each case of this type, and the policy was adhered to of not diverting a pension from the pensioner to a trustee unless the evidence satisfies the Director that, by reason of infirmity, illness, insanity or other cause, the pensioner is incapable of managing his own affairs. At the close of the fiscal year, of 722,478 active accounts held in Regional Offices, 15,108 or 2% were cases where pension was payable to a trustee. In March, 1953, of 691,386 active accounts, pension was payable to a trustee in 15,377 cases, or 2.2%. Thus the percentage of cases where it was found necessary to divert the pension decreased slightly during the past year.

1953-54 was a year of continued expansion and consolidation of the two programs administered by the Division. The co-operation of the Chief Treasury Officer and his staff and of all members of the staff of this Division made possible the success attained in the year's operations.


R.B. Curry,
Director of Family Allowances
and Old Age Security.

DEPARTMENT OF NATIONAL HEALTH AND WELFARE
COMPARATIVE STATEMENT OF FAMILY ALLOWANCES PAYMENTS
BETWEEN MONTH OF MARCH 1953 AND MONTH OF MARCH 1954

Province	Month of March 1953				Month of March 1954					
	Families Receiving		Children Receiving		Amount Paid	Families Receiving		Children Receiving		
	Number	Average Allow. per Family	Number	Average Allow. per Child		Number	Average Allow. per Family	Number	Average Allow. per Child	
Newfoundland	53,800	\$17.43	157,280	\$5.96	\$937,888	55,102	\$17.70	163,292	\$5.97	\$975,386
Prince Edward Island	13,207	15.99	35,060	6.02	211,259	13,205	16.22	35,441	6.04	214,221
Nova Scotia	94,414	14.56	227,698	6.04	1,374,860	95,715	14.73	233,076	6.05	1,410,117
New Brunswick	74,426	16.23	201,240	6.00	1,208,117	75,189	16.50	205,785	6.03	1,240,494
Quebec	564,219	16.12	1,507,272	6.03	9,097,491	585,050	16.20	1,562,685	6.06	9,478,872
Ontario	681,870	12.35	1,405,125	5.99	8,423,616	712,592	12.54	1,489,030	6.00	8,936,792
Manitoba	113,329	12.93	244,376	6.00	1,465,954	116,238	13.11	253,803	6.00	1,523,682
Saskatchewan	120,781	13.73	272,958	6.07	1,658,346	123,753	13.80	281,344	6.07	1,707,600
Alberta	147,006	13.12	320,934	6.01	1,928,260	154,258	13.24	339,803	6.01	2,042,951
British Columbia	173,993	12.02	347,610	6.02	2,091,923	181,241	12.26	367,834	6.04	2,221,465
Northwest Territories and Yukon	4,296	13.67	9,619	6.10	58,727	4,366	13.94	9,951	6.11	60,858
NATIONAL	2,041,341	\$13.94	4,729,172	\$6.02	\$28,456,441	2,116,709	\$14.08	4,942,044	\$6.03	\$29,812,438

DEPARTMENT OF NATIONAL HEALTH AND WELFARE
NET FAMILY ALLOWANCES PAYMENTS - COMPARISON BY FISCAL YEARS

TABLE II

Province	1946-47	1947-48	1948-49	1949-50
Newfoundland				
Prince Edward Island	\$ 2,192,044.00	-----	-----	\$ 9,747,030.00
Nova Scotia	13,358,417.07	2,256,477.00	2,295,286.00	2,411,291.00
New Brunswick	11,394,426.02	14,207,957.82	14,515,131.00	15,291,614.07
Quebec	82,389,966.72	12,086,891.93	12,462,093.00	13,375,434.33
Ontario	70,325,914.70	87,157,243.46	89,304,108.45	95,901,763.15
Manitoba	14,007,061.21	77,328,534.50	80,151,249.69	84,940,808.63
Saskatchewan	18,119,791.87	14,798,436.82	15,016,277.72	15,668,695.50
Alberta	17,159,488.00	18,561,329.55	18,527,408.22	18,953,599.79
British Columbia	15,722,045.50	18,181,662.50	18,695,325.00	19,822,386.97
Yukon & N.W.T.	471,376.50	18,012,188.75	19,347,836.58	20,813,661.00
		574,470.00	595,063.00	587,749.50
NATIONAL	\$245,140,531.59	\$263,165,192.33	\$270,909,778.66	\$297,514,033.94
	1950-51	1951-52	1952-53	1953-54
Newfoundland				
Prince Edward Island	10,224,103.00	10,613,908.00	11,038,874.49	11,497,719.33
Nova Scotia	2,467,257.00	2,495,987.00	2,522,830.00	2,558,097.00
New Brunswick	15,660,003.27	15,949,540.73	16,297,169.95	16,716,374.00
Quebec	13,708,198.00	13,892,907.00	14,287,535.05	14,700,819.00
Ontario	99,558,247.04	102,883,811.56	107,084,124.36	111,441,301.49
Manitoba	89,034,870.53	93,207,144.30	98,303,868.20	104,409,819.41
Saskatchewan	16,235,519.56	16,703,466.69	17,283,659.61	17,979,853.88
Alberta	19,237,070.80	19,424,561.76	19,723,352.42	20,244,540.00
British Columbia	20,762,273.29	21,573,429.99	22,575,583.60	23,958,080.50
Yukon & N.W.T.	21,952,569.36	23,063,642.85	24,399,858.81	25,904,496.28
	625,348.67	649,273.15	680,828.30	702,801.30
NATIONAL	\$309,465,460.52	\$320,457,673.03	\$334,197,684.79	\$350,113,902.19

DEPARTMENT OF NATIONAL HEALTH AND WELFARE

TABLE III

OVERPAYMENTS OF FAMILY ALLOWANCES

MARCH, 1954

(The Overpayments may have occurred at any time between July 1, 1945 and March 31, 1954)

Province	Overpayments Recoverable by Deduction		Overpayments Recoverable by Collection		Overpayments Considered Uncollectable		Total Overpayments Outstanding	
	Number of Accounts	Amount	Number of Accounts	Amount	Number of Accounts	Amount	Number of Accounts	Amount
Newfoundland	50	\$ 1,288.00	45	\$ 781.50	19	\$ 371.36	114	\$ 2,440.86
Prince Edward Island	15	374.00	2	32.00	2	24.00	19	430.00
Nova Scotia	62	1,496.00	93	2,103.75	48	1,541.50	203	3,141.25
New Brunswick	39	776.00	94	3,849.00	194	8,166.50	327	12,791.50
Quebec	479	26,570.00	1,153	72,564.77	1,318	108,698.68	2,950	207,833.45
Ontario	138	5,678.00	753	19,540.56	517	22,275.30	1,408	47,493.86
Manitoba	33	1,454.00	81	1,473.75	72	3,463.00	186	6,390.75
Saskatchewan	70	2,580.00	102	2,692.23	73	4,265.30	245	9,537.53
Alberta	105	2,477.00	135	3,709.50	107	5,843.90	347	12,030.40
British Columbia	101	4,569.00	83	2,524.00	179	7,855.40	363	14,948.40
N.W.T. & Yukon	25	2,017.00	47	2,093.22	19	1,188.32	91	5,298.54
NATIONAL	1,117	\$49,279.00	2,588	\$111,364.28	2,548	\$163,693.26	6,253	\$324,336.54

TABLE IV

STATISTICS ON OLD AGE SECURITY

Province	No. of Pensioners in Pay March, 1953	Net Payment for March, 1953 only	No. of Pensioners in Pay March, 1954	Net Payment for March, 1954 only	Total Net Payment for Fiscal Year Ended March 31, 1953	Total Net Payment for Fiscal Year Ended March 31, 1954
NFLD.	14,792	\$ 592,600	15,343	\$ 614,780	\$ 6,995,760	\$ 7,242,820
P.E.I.	6,553	262,960	6,669	267,220	3,155,700	2,203,780
N.S.	36,150	1,451,340	36,961	1,481,253	17,259,287	17,702,477
N.B.	25,689	1,030,720	26,288	1,054,943	12,254,680	12,606,600
QUE.	147,833	5,899,735	152,682	6,080,598	69,570,047	72,032,527
ONT.	253,954	10,174,060	264,831	10,596,735	120,083,015	125,775,222
MAN.	40,489	1,621,520	42,592	1,702,804	19,019,960	20,052,895
SASK.	40,553	1,633,680	42,505	1,710,400	19,037,306	20,111,120
ALTA.	40,203	1,622,390	42,868	1,723,890	18,745,260	20,137,730
B.C.	79,464	3,121,320	85,191	3,355,955	36,802,800	39,880,100
N.W.T. & Y.	447	18,000	469	18,880	217,840	225,520
NATIONAL	686,127	\$27,428,325	716,399	\$28,607,458	\$323,141,655	\$338,970,791

